



CITY OF BURLINGTON

P.O. Box 1358 ~ Burlington ~ North Carolina 27216~1358

FINANCE DEPARTMENT

Phone (336) 222-5060

June 18, 2020

Joint Legislative Committee on Local Government
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Committee Assistant

Fiscal Research Division
North Carolina General Assembly
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925

Re: Installment Financing by the City of Burlington, North Carolina for Various
Capital Improvements

Ladies and Gentlemen:

In accordance with Section 120-157.2(a) of the General Statutes of North Carolina, as amended, the City of Burlington, North Carolina (the "City") hereby notifies you of its intent to enter into an installment financing agreement (the "Agreement") pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended, in a principal amount of approximately \$9,500,000 for the purpose of providing funds, together with any other available funds, to pay the costs of (a) renovating a historic carousel and constructing a carousel building to house the carousel, (b) acquiring a fire engine and various other vehicles and equipment for use by the City, (c) constructing, renovating and equipping various improvements to existing facilities of the City, including, but not limited to, City Hall and various fire stations and (d) providing various streetscape and ballfield improvements (collectively, the "Project"). The obligations of the City under the Agreement will be secured by a lien on or security interest in all or a portion of the Project being financed. The payment of the installment payments under the Agreement will be subject to annual appropriation, and the City's obligations under the Agreement will not be secured by the faith and credit or taxing power of the City.

It is expected that the Agreement will have a term not to exceed twenty (20) years. The financial institution to provide the financing pursuant to the Agreement will be selected pursuant to a request for proposals, at which time the interest rate(s) shall be determined for the Agreement. The City expects to accept the proposal of the winning bidder on July 21, 2020, obtain the approval of the North Carolina Local Government Commission on August 4, 2020 and close the financing by August 27, 2020.

If you have any questions or require any further information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, reading "Peggy Reece", written over a horizontal line.

Peggy Reece
Director of Finance and Risk Management
City of Burlington, North Carolina

cc: Joe Futima, Local Government Commission